

## Message Text

UNCLASSIFIED

PAGE 01 STOCKH 00942 041144Z  
ACTION STR-04

INFO OCT-01 EUR-12 ISO-00 EB-08 COME-00 CIAE-00 INR-07  
NSAE-00 STRE-00 AID-05 FRB-01 USIA-15 TRSE-00 XMB-04  
OPIC-06 SP-02 LAB-04 SIL-01 OMB-01 AGRE-00 /071 W  
-----041203Z 020611 /20

R 041042Z MAR 77  
FM AMEMBASSY STOCKHOLM  
TO SECSTATE WASHDC 9945  
INFO AMEMBASSY COPENHAGEN  
AMEMBASSY HELSINKI  
AMEMBASSY OSLO

UNCLAS STOCKHOLM 0942

E.O. 11652: N/A  
TAGS: ETRD, MTN, SW, EIND  
SUBJECT: SWEDISH GOVERNMENT PROPOSES MEASURES FOR SHOE INDUSTRY

REFS: A) STOCKHOLM 833, B) STOCKHOLM 765, C) STATE A-684

1. THE SWEDISH MINISTER OF COMMERCE, STEFFAN BURENSTAM LINDER, HAS PROPOSED TO THE SWEDISH PARLIAMENT LEGISLATION TO PERMIT RESTRUCTURING OF THE SHOE INDUSTRY, SEVERELY HIT BY LOW-COST COMPETITORS IN RECENT YEARS, AND TO ALSO LIFT CURRENT RESTRICTIONS ON IMPORTS.

2. LINDER PROPOSES THAT THE PRESENT 40-ODD SMALL SHOE FIRMS, EMPLOYING ABOUT 1,600, AND CURRENTLY PRODUCING ABOUT THREE MILLION PAIRS OF SHOES AND BOOTS ANNUALLY, BE MERGED INTO SEVERAL LARGER UNITS, WITH PAYROLLS REDUCED TO 1,300 AND ANNUAL PRODUCTION LEVELS OF ABOUT TWO MILLION PAIRS. THE GOS WOULD FACILITATE THE MERGING PROCESS THROUGH LOANS TO THOSE ACQUIRING OTHER FIRMS IN CONSOLIDATING MOVES. A SHOE COMMITTEE COMPOSED OF GOS, EMPLOYER AND UNION REPRESENTATIVES WOULD APPROVE MERGERS AND THEIR TERMS. THE GOVERNMENT WOULD NOT RULE OUT THAT EMPLOYEES MIGHT  
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 STOCKH 00942 041144Z

JOINTLY PURCHASE FIRMS. THE PROCESS WOULD EXTEND THROUGH 1978.

3. IF THE RIKSDAG APPROVES THE GOVERNMENT'S PROPOSAL, THE GOS WOULD LIFT IMPORT RESTRICTIONS ON SHOES ON JULY 1, AND FOR BOOTS AT THE END OF THE YEAR, WITH THE EXCEPTION OF EASTERN BLOC EXPORTS WHICH ARE GOVERNED BY

BILATERAL RESTRAINT AGREEMENTS.

4. LINDER SAID PRESSURES TO NATIONALIZE THE ENTIRE SHOES  
INDUSTRY HAD BEEN RESISTED. HE INDICATED, HOWEVER, THAT  
THE GOVERNMENT MIGHT ACQUIRE OWNERSHIP IN CERTAIN UN-  
SPECIFIED SEGMENTS OF THE INDUSTRY.  
PERRY

UNCLASSIFIED

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** FOOTWEAR, REPORTS, TRADE DISCRIMINATION, TARIFFS, IMPORT CONTROLS, AMENDMENTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Sent Date:** 04-Mar-1977 12:00:00 am  
**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01-Jan-1960 12:00:00 am  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977STOCKH00942  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D770075-0200  
**Format:** TEL  
**From:** STOCKHOLM  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1977/newtext/t19770390/aaaadbtc.tel  
**Line Count:** 69  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** ccd012bd-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION STR  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** 77 STOCKHOLM 833, 77 STOCKHOLM 765, 77 STATE A-684  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 29-Sep-2004 12:00:00 am  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 3201544  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** SWEDISH GOVERNMENT PROPOSES MEASURES FOR SHOE INDUSTRY  
**TAGS:** ETRD, EIND, SW, US, MTN  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odb://SAS/SAS.dbo.SAS\_Docs/ccd012bd-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
22 May 2009  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009